

DEPARTMENT ACTION ON APPLICATION IN DOCKET OST-2002-13320

filed September 9, 2002

Joint application of United Air Lines, Inc. (United) and Asiana Airlines (Asiana) for statements of authorization

Approved under assigned authority (14 CFR § 385.13).

Date of Action: December 19, 2002

This action is subject to the conditions attached. Persons entitled to petition the Department for review of this action under the Department's regulations, 14 CFR § 385.30, should file their petitions within seven days of the date of this action. This action is effective immediately, and the filing of a petition for review will not alter its effectiveness.

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Docket OST-2002-13320

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United proposes to display the designator code of Asiana ("OZ") on flights operated by United (1) between the United States and Korea (either nonstop or via third country points); (2) between any points in the United States in conjunction with services held out by Asiana between Korea and the United States (either nonstop or via third country points); and (3) between any point in the United States or Korea and any point in any third country.

Asiana proposes to display the designator code of United ("UA") on flights operated by Asiana (1) between Korea and the United States (either nonstop or via third country points); (2) between any points in Korea in conjunction with services held out by United between the United States and Korea (either nonstop or via third country points); and (3) between any point in Korea or the United States and any point in a third country.

The code-share operations authorized here are subject to the following conditions:

- (a) The statement of authorization will remain in effect only as long as (i) United Air Lines, Inc. and/or Asiana Airlines continue to hold the necessary underlying authority to operate the code-share services at issue, and (ii) the code-share agreement providing for the code-share operations remains in effect.
- (b) United Air Lines, Inc. and/or Asiana Airlines must promptly notify the Department if the code-share agreement providing for the code-share operations is no longer effective or the carriers decide to cease operating any or all of the approved code-share services. Such notices should be filed in Docket OST-2002-13320.¹
- (c) United Air Lines, Inc. and/or Asiana Airlines must notify the Department no later than 30 days before they begin any new code-share service under the code-share services authorized here. Such notice shall identify the market(s) to be served and the date on which the service will begin. Such notices should be filed in Docket OST-2002-13320.
- (d) The code-sharing operations conducted under this authority must comply with 14 CFR Part 257 and with any amendments to the Department's regulations concerning code-share arrangements that may be adopted. Notwithstanding any provisions in the contract between the carriers, our approval here is expressly conditioned upon the requirements that the subject foreign air transportation be sold in the name of the carrier holding out such service in computer reservation systems and elsewhere; that the carrier selling such transportation (*i.e.*, the carrier shown on the ticket) accept responsibility for the entirety of the code-share journey for all obligations established in its contract of carriage with the passenger; and that the passenger liability of the operating carrier be unaffected. Further, the operating carrier shall not permit the code of its U.S. carrier code-sharing partner to be carried on any flight that enters, departs or transits the airspace of any area whose airspace the Federal Aviation Administration has issued a flight prohibition.
- (e) The authority granted here is specifically conditioned so that neither carrier shall give any force or effect to any contractual provisions between themselves that are contrary to these conditions.
- (f) We may amend, modify, or revoke the authority granted at any time without hearing at our discretion.

We expect this notification to be received within 10 days of such non-effectiveness or of such decision.